## RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 06-0230602 IN THE CARTHAGE, NORTH (COTTON VALLEY) FIELD, HARRISON AND PANOLA COUNTIES, TEXAS

## FINAL ORDER APPROVING THE APPLICATION OF SAMSON LONE STAR L.P. TO ADOPT RULES AND REGULATIONS FOR THE CARTHAGE, NORTH (COTTON VALLEY) FIELD, HARRISON AND PANOLA COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on March 13, 2002, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the following rules shall be adopted for the Carthage, North (Cotton Valley) Field, Harrison And Panola Counties, Texas.

- RULE 1: The entire correlative interval from 8449 feet to 9820 feet as shown on the Array Induction Density-Neutron log of the Fina Oil & Chemical Company Werner Saw Mill Gas Unit Lease Well No. 6, John Parmer Survey, Panola County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Carthage, North (Cotton Valley) Field.
- RULE 2: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the total field allowable shall be allocated equally among all the individual proratable wells producing from this field.

NINETY-FIVE percent (95%) of the total field allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all proratable wells producing from this field.

Effective this ninth day of April, 2002.

|           | RAILROAD COMMISSION OF TEXAS     |
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|           |                                  |
|           | Chairman Michael L. Williams     |
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|           | Commissioner Charles R. Matthews |
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|           | Commissioner Tony Garza          |
| ATTEST:   |                                  |
|           |                                  |
| Secretary |                                  |